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CHAPTER 14

SALES AND REVENUES1401 GENERAL

140101. Revenue is income from the sale of goods and services, interest and penalties, dividends earned, and trust fund receipts. For activities authorized to generate income as a normal part of their activities, revenue is the income resulting from completing customer orders. Revenues are the collections or earnings for goods and services provided for reimbursable orders.

140102. For appropriations other than the Defense Working Capital Fund (DWCF), recognize the revenue under a long-term order in the period in which the goods or services are delivered or constructively delivered to the purchaser. Constructive delivery occurs when the seller meets the obligations of the long-term order.

140103. For DWCF, use percentage of completion as the standard method for recognizing revenue.

A. The percentage of completion method shall be used for recognizing revenue and costs on all orders. Under this method, the revenue earned and associated costs incurred on an order will be recognized monthly based on the ratio of the costs incurred to date, on that order, to the total costs estimated to be incurred on the order when it is completed. Consequently, the completed job method for revenue recognition no longer will be an acceptable method for recognizing revenue within the Department of Defense (DoD).

B. The following criteria apply:

1. Types of Customer Order. Two basic types of customer order are provided for DWCF.

a. End-product Customer Order. This type customer order results in the production of a usable product at the completion of work on the customer order. Since the completed job method for revenue recognition is no longer an acceptable method for recognizing revenue within the Department, the percentage of completion method must be used to recognize revenue monthly based on the revised DoD policy.

b. Service-type Customer Order. This type customer order requires the provision of a service over a specified period of time. Revenue is recognized at the time the service is rendered but no less frequently than monthly.

2. Revenue Recognition Criteria. The percentage of completion method must be used by all activity groups within the DWCF for the recognition of revenue.

The following criteria shall be used to determine the revenue to be recognized monthly for each DWCF activity group.

- a. Depot Maintenance. Depot maintenance activities provide a variety of services that will result in the delivery of an end product. Performance on customer orders within this activity group frequently span many months within a fiscal year. Such activities shall recognize revenue using the percentage of completion method no less frequently than monthly.
- b. Transportation. Transportation activities provide traffic management and transportation service and shall recognize revenue at the time the service is rendered. Revenue billing is based upon receipt of a cargo manifest or the commencement of a travel document.
- c. Supply Management. Supply Management activities procure and manage DoD designated consumable and repairable inventories in support of DoD operating forces. Such activities shall recognize revenue at the point/time of sale of such items or when such items are otherwise disposed of with reimbursement.
- d. Commissary Resale. Commissary resale activities procure and manage commissary inventories for the DoD and shall recognize revenue at the point/time of sale of such items or when such items are otherwise disposed of with reimbursement.
- e. Commissary Operations. Commissary operations activities are operated by the Defense Commissary Agency to support the host Military Services. Such activities shall recognize revenue equal to total costs incurred for the operation of the commissary store no less frequently than monthly.
- f. Distribution Depot. Distribution depot activities provide receipt, storage, and issue services for designated DoD materials and shall recognize revenue based on receipt of an item, issuance of an item, or rendering of other services as appropriate.
- g. Navy Research and Development. Navy research and development activities provide research and development services to their customers which may result in an end product or in the provision of a service. For an end-product customer order, revenue shall be recognized monthly using the percentage of completion method. For a service customer order, revenue shall be recognized at the time the service is rendered but no less frequently than monthly.
- h. Other Activity Groups. The other DWCF activity groups include financial operations, base support, information services, industrial plant equipment, reutilization and marketing, technical information, and printing and publications. These activities involve service oriented activities, and revenue shall be recognized at the time the service is rendered but no less frequently than monthly.

1402 RESPONSIBILITIES

140201. Activities involved in cash or charge sales of services or products will transmit original documents to the servicing Operating Location (OPLOC) or Finance and Accounting Office (FAO) for recording in the installation accounts. This includes sales slips, shipping documents, and other sales and billing data.

140202. Communications offices will provide the OPLOC/FAO with a listing of charges to subscribers, along with information necessary for properly billing customers.

140203. The Medical Services Accountable Officer (MSAO) will bill and collect for medical, dental, and veterinarian services. They will provide data to the OPLOC/FAO to update the appropriate accounts.

140204. Accountants will ensure the following actions are performed correctly:

A. All documents provided are submitted by controlled transmittal letter (TL).

B. Sales and revenues are posted to the accounting records in the proper accounting period.

C. Appropriate general ledger accounts are posted and reconciled according to current accounting procedures.

1403 PROCEDURES FOR REPORTING SALES

140301. General.

★ A. Activities will transmit DA Form 1854-R (Daily Transfer Summary) with the original sales slips to the OPLOC/FAO, in duplicate on the first workday following the date of the transaction. Reproduce DA Form 1854-R on 8 1/2 x 11-inch paper. A copy for reproduction purposes is located at the end of this chapter.

B. Activities will show separate accounting classifications and amounts for each appropriation or fund being reimbursed or receiving a refund. The OPLOC/FAO will verify the accounting classifications and accounts. The OPLOC/FAO will then acknowledge receipt by returning the signed and dated duplicate copy of the DA Form 1854-R to the initiating officer.

140302. Charge Sales to Military, Civilians, and Organizations. Document charge sales to authorized military and civilian personnel and organizations on the form prescribed by the responsible activity. Authorized organizations include the officers' dining facility, post restaurant, and so forth. Itemize the sales and services rendered on the charge sales slips. Show related charges, such as surcharges and taxes, as separate items. Total original charge sales slips for each day's business and forward to the OPLOC/FAO.

140303. Charge Sales To Non-Federal Purchasers.

A. The property officer will furnish four copies of the shipping document to the OPLOC/FAO having the collection responsibility, to establish the accounts receivable and bill the purchaser. The shipping documents will state "Reimbursement Required." When proceeds of a sale are received before or at the time of sale, the shipping document will state "Payment Included" or "Advance Payment Received." Each copy of the shipping document will show the contract or customer number, when applicable, name of purchaser if other than consignee, and the address of the collection office. Verify that the unit and total prices (including overhead charges, when applicable) are entered on the shipping documents.

B. Bill charge sales for supplies or services to authorized non-Federal purchasers based on a shipping or issue document. For certain sales specified in other regulations, billing and collection is done at Headquarters Department of the Army (HQDA) level. This includes medical services to foreign government representatives.

140304. Charge Sales to Federal Departments or Agencies. Indicate charge sales to other Federal departments or agencies on the daily transfer summary. Include identification that the sale was made to another Federal department or agency, its name, billing address, and the amount of sale. Bill charge sales to U.S. Government purchasers. If the charges are billed at departmental level, show on the daily transfer summary the agency to be charged. Include the amount and provide the notation "Charges to Other Federal Agencies, Transfer for Departmental Billing to (name and address of billing office)." Upon receipt of such documents, the OPLOC/FAO will promptly record and forward the bill to the proper departmental office for customer billing.

140305. Information System Sales.

A. Daily, the Director of Information Management (DOIM) will provide the OPLOC/FAO with DA Form 1854-R. It shows charges to subscribers and changes in names, telephone numbers, rates, and so forth. Activities will show charges for connection or disconnection of phones separately by subscriber on the daily transfer summary. The DOIM will submit the originals of DD Form 1194 (Toll Ticket) with the daily transfer summary to the OPLOC/FAO. The DOIM will submit separate toll tickets for telegram charges.

B. The DOIM will give the OPLOC/FAO a chart of rates for installation, movement, and restoration of telephone service, including rate changes as they occur. The DOIM will compute charges for connection or disconnection of telephone. Billings for part of the month or billing cycle, refunds, or adjustments will be included. The DOIM will forward the summary with supporting documents to the OPLOC/FAO for processing.

C. The OPLOC/FAO will annotate advance payments for users of charge account telephone service or other communication facilities on the applicable daily transfer

summary. The notation simplifies association of the advance payment with the accounts receivable when the summary and related documents are processed in the accounting system.

D. In order to simplify processing, the OPLOC/FAO will return toll tickets as soon as possible after posting charges to the statement of account. When the communications office does not require immediate return of the toll tickets, defer action until the bill is paid. The OPLOC/FAO will provide toll tickets to communication officers located at other offices when the tickets are required for inspection, review, or use, unless they have been returned to the local DOIM.

E. The OPLOC/FAO will establish and maintain DA Form 1854-R, the Flat Rate Charges and Credits section, on a perpetual basis for each class of telephone subscriber. This will serve as an inventory of phones in use and a basis for establishing orders for rate charges each month. At the beginning of each month, use the ending amount of the previous month to establish the amount for orders received. Use this form for Class B telephone systems within and outside the Continental United States.

F. Use DA Form 1857 to bill Class B telephone customers.

G. Record cash collections for telephone and telegraph services not established as accounts receivable as cash sales.

H. Compute Federal, State, and local taxes according to current regulations. Class B telephone service (including flat rate and toll charges) provided for personal use is subject to taxes.

I. Do not charge Federal, State, and local taxes to the American National Red Cross, Federal Credit Unions, or the Army and Air Force Exchange Service (AAFES) and the Motion Picture Service. Do not charge military dining facilities, and other activities that render services and facilities to Army installations. This includes book stores, motion picture theaters, and bowling alleys located on U.S. Government installations.

140306. Repairs and Utility Services Sales. Each month, activities will submit two copies of lists or schedules. They will show, by user, the utility units consumed, special charges for services or supplies, and amounts to be billed. Activities will submit these lists on DA Form 1854-R. Price utility sales to lessee according to the Department of Defense Financial Management Regulation (DoDFMR), Volume 15 for Foreign Military Sales (FMS), and Chapter 13 of this regulation for non-FMS.

140307. Medical and Dental Facilities Sales.

A. Activities providing the service will bill and collect for medical, dental, and veterinarian services when authorized at the local level. This includes food in hospital dining facilities. AR 40-330 prescribes how to credit those collections to the funding appropriations and the miscellaneous receipt accounts. See DFAS-IN Manual 37-100-FY.

Amounts collected from third party payers (for example, private health insurers) will be credited to the medical facility account. These funds will be used to provide support and additional health care services within the direct care system.

B. The OPLOC/FAO will update the appropriate medical accounts based on statements reflecting sales, receivables, and collections received from the MSAO.

C. The MSAO identifies collections as charge sales, cash sales, or other. The MSAO will submit documents pertaining to accounts to be transferred to other stations for collection and delinquent accounts to be transferred to the OPLOC/FAO. They are transmitted under the cover of a DA Form 1854-R specifying the accounts, amount, and action to be taken. See Chapter 17 for procedures for delinquent medical accounts.

★ 140308. Sales of Petroleum Products. Deposit State taxes collected on the sales of petroleum products to deposit fund suspense account 21X6500. See DFAS-IN Manual 37-100-FY. Disburse State taxes once a month. (See AR 710-2, Supply Policy Below the Wholesale Level.)

140309. Self-Service Supply Center Sales To Other Than Army Activities. At the end of each month or billing period, the self-service supply center (SSSC) will provide the OPLOC/FAO with DA Form 1854-R and related charge documents. The OPLOC/FAO will record the transactions, prepare and submit the billings, and collect the amounts due.

140310. Certain Statutory Housing Rentals.

A. Sales include rent and utility charges from certain housing rentals from soldiers.

B. Service members placed in inadequate housing retain their basic allowance for quarters (BAQ). They are charged the fair market value for rent and cost of utilities. Service members will retain BAQ in excess of these charges. Collect rent and utility charges by payroll deduction offsetting BAQ. Credit collections to the Army Family Housing (AFH) projects based on the project that incurred the cost.

C. For inadequate public quarters occupied by civilian employees, collect charges for basic rent either in cash or by payroll deduction. Credit collections to AFH projects based on the project that incurred the cost. Collect for utilities and related services in cash or check only and credit as a reimbursement to the family housing account.

D. Collect during appeal of increased rental rates as follows:

1. Upon determining that the increased rental rates (established per AR 210-12, Establishment of Rental Rates for Quarters Furnished Federal Employees) will be appealed, the installation commander will notify the OPLOC/FAO. Collect from occupants of housing units at the increased rates beginning with the effective date of the increase.

2. If action on the appeal results in a rate decrease, reduce orders and earnings and make cash refunds retroactively.

1404 DISPOSITION OF PROCEEDS FROM DoD SALES OF EXCESS AND SURPLUS PROPERTY

140401. These procedures are applicable to proceeds resulting for sales of:

A. Lost, abandoned, or unclaimed personal property found on a military installation. See also paragraph 161201.

1. In accordance with 10 United States Code (U.S.C.) 2575, installations can retain the proceeds from the sale of any lost, abandoned, or unclaimed personal property found on a military installation. The proceeds will be used first to cover the cost of collecting, storing, transporting, and selling the abandoned property and secondly to support Morale, Welfare, and Recreation (MWR) activities on the installation where the property was abandoned.

2. The costs incurred for than handling and selling of abandoned personal property will be recognized as 20 percent of the gross sales. Any cost that exceeds the 20 percent will be considered as an extraordinary cost. Such costs must be defined and documented by the installation provost marshal and provided to the MWR. The installation commander is responsible for determining if the installation operations and maintenance account or the MWR single fund will bear the cost of the extraordinary cost.

3. The servicing accounting activity will provide to the installation MWR on a quarterly basis, a report showing the gross amount collected for each sale, the 20/80 split, and any extraordinary costs.

4. If the owner or rightful claimant of the lost, abandoned, or unclaimed personal property takes possession of the property within 45 days prior to sale of the property, no charge for costs will be assessed the owner.

5. The owner or legal claimant may file a claim with the Secretary of Defense for the proceeds from the sale of lost, abandoned, or unclaimed personal property. If the claim is filed with the commander of the installation or directed to a subordinate office of the commander, it will be considered as having been properly filed with the Secretary of Defense. The claim must be filed within five years of the date of the sale of the property. If the claim is upheld, the owner or rightful claimant will be refunded the 80 percent. Payment will be made from the MWR account which received the 80 percent proceeds from the sale.

B. Surplus U.S. Government owned property in the possession of contractors as described in subpart 45.6 of the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS) 245.610.

C. Recyclable material governed by 10 U.S.C. 1477. Such materials would otherwise be sold as scrap or discarded as waste but can be reused after undergoing some type of physical or chemical processing. Qualified recyclable materials do not include:

1. Precious metal-bearing scrap and those items that may be used again for their original purposes or functions without any special processing. For example, used vehicles, vehicle or machine parts, bottles (not scrap glass), electrical components, and unopened containers of oil or solvents.
2. Ships, planes, or weapons that must undergo demilitarization or mutilation prior to sale.
3. Scrap generated from the Defense Working Capital Fund - Depot Management Army (DWCF-DMA) operations that has been routinely sold with the proceeds being used to offset customer costs.
4. Bones, fats, and meat trimmings generated by a commissary store or exchange.

140402. Bid deposits and subsequent payments received in connection with sales of excess and surplus personal property will be in cash, approved credit cards, or guaranteed negotiable instruments. Examples of the latter are cashier's checks, certified checks, traveler's checks, bank drafts, and postal telegraphic orders.

140403. Personal checks may be accepted only when a bond or a bank letter of credit is on hand that will cover the amount due. Collect amounts due from the issuer of the bond or letter of credit for dishonored checks. If a bidder intends to use a bond or letter of credit without an accompanying personal check, the claim against the bond or letter of credit will be made for any amounts due. If personal checks are used, return the bond or letter of credit intact, after the applicable personal checks are honored unless other instructions are directed by the bidder.

140404. Approved credit cards may be accepted for payment if the selling DoD component (for example, Defense Reutilization Marketing Service (DRMS)) has entered into an agreement with a network commercial bank. See the DoDFMR, Volume 5 for additional information on acceptance of credit cards. If a credit card is used for the bid deposit and authorization is declined, the bid will be rejected as non responsive and other bidders considered.

140405. A "Term Bid" is applicable when the sale involves scrap or disposable material that will be generated over time with periodic removal by the successful bidder. A term bid is a type of bid deposit. The amount of the bid deposit required to accompany such bids is the average estimated quantity of such materials to be generated during a 3-month period multiplied by 20 percent of the bid price. The calculation is illustrated as follows:

Estimated quantity of material to be generated each quarter (in pounds)	3,000
Bid price=\$1.00 per pound	<u>X \$1.00</u>
Subtotal.....	\$3,000
20 percent of bid price	<u>X 20%</u>
Amount to accompany bid	\$ 600

140406. With the exception of term bids, payment in the amount of 20 percent of the bid will accompany the bid. See Table 14-1 for deposition.

140407. Deposit amount of gross proceeds received from sale of abandoned personal property into current installation operation and maintenance account. Twenty percent of the gross proceeds will be retained by the installation to cover expense of handling the abandoned property. The remaining amount will be paid directly to the installation MWR single fund.

140408. Account for and dispose of bid deposits from unsuccessful bidders as follows:

- A. Return guaranteed negotiable instruments to the bidders.
- ★ B. Credit cash bid deposits to suspense account 21X6501 (see DFAS-IN Manual 37-100-FY). Draw checks on that fund account to reimburse the unsuccessful bidders.
- C. Return credit card transactions as credits to the bidder's credit card account. Instructions for processing credit transactions are provided by the commercial network bank.

140410. Deposit bids received from successful bidders and subsequent collections from such bidders to the accounts prescribed in Table 14-1.

1405 ACCOUNTING FOR THE PROCEEDS OF THE SALE OF RECYCLABLE TRASH AND WASTE MATERIAL (10 U.S.C. 2577)

140501. When a DoD component operates the recycling program, the following procedures apply:

- A. Deposit proceeds from the sale of recyclable material to 21F3875.1111 (see DFAS-IN Manual 37-100-FY). Identify the fiscal station and the name of the installation that is to receive the proceeds on DD Form 1131. Refer deposits that do not provide the necessary information formally (for example, in writing) to the property disposal cashier for the required information.
- B. Upon receipt of the sales proceeds, the OPLOC/FAO will mail a copy of DD Form 1131 to the fiscal station shown on the collection voucher. The recipient fiscal station will use this advance copy to establish a receivable for the proceeds and for follow-up purposes

as necessary. Use the copy of the collection voucher received through the transaction for others/ transaction by others (TFO/TBO) and cross-disbursing system to clear the undistributed collection. The OPLOC/FAO will report weekly transactions to the responsible fiscal station cited on the collection voucher. Collections will be reported within the same month on the SOT submitted to the Defense Finance and Accounting Service (DFAS) Center for Sustaining Forces - Indianapolis (see Chapter 28). See Chapter 19 for TFO/TBO and cross-disbursing procedures.

140502. Credit proceeds from the sale of recyclable materials through the Defense Reutilization and Marketing Office (DRMO), local direct sales, or outsourcing direct sales, to funds available for operations and maintenance at that installation. Ensure amounts are sufficient to cover the costs of operations, maintenance, and overhead for processing recyclable materials at the installation. Include the costs of any equipment purchased for recycling purposes. If, after such funds are credited and a balance remains available to a military installation, and that installation has a qualifying recycling program, then, not more than 50 percent of the remaining balance may be used at the installation for projects for pollution abatement, energy conservation, and occupational safety and health activities. A project may not be carried out under the preceding sentence for an amount greater than 50 percent of the amount established by law as the maximum amount for a minor construction project. The remaining balance available to a military installation (which may be more than 50% of the remaining funds after the credits previously described) may be transferred to the nonappropriated morale and welfare account of the installation. This amount may be used for any morale or welfare activity. If the balance available to an installation at the end of the fiscal year is in excess of \$2,000,000, transfer the amount of that excess to a Treasury miscellaneous receipt account. See DFAS-IN Manual 37-100-FY.

1406 CONTRACTOR RETAINED PROCEEDS

Contracting officers may allow a contractor to sell U.S. Government Furnished Property (GFP) and retain the proceeds from the sale. Use the following procedures to account for these retained proceeds:

140601. The contractor making the sale may follow normal company policy with respect to bid deposits and form of payment. However, the contractor will be responsible for any loss associated with dishonored payments.

140602. The Plant Clearance Officer (PLCO) is responsible for verifying collections. This is done by sales number or sales register when submitted as a reduction to monthly contractor bills. The PLCO will notify the OPLOC/FAO whether such collections will:

- A. Represent an increase in the dollar value of the applicable contracts.
- B. Be made in lieu of disbursements on the applicable contracts.

C. Be returned to miscellaneous receipt account 97R2651 (Sales of Scrap and Salvage, Defense) (see DFAS-IN Manual 37-100-FY). Identify the OPLOC/FAO for the contract by the fiscal station number provided in the accounting classification.

1407 TRANSFER OF EXCESS DEFENSE WORKING CAPITAL FUND - SUPPLY MANAGEMENT (DWCF-SMA)-OWNED MATERIAL

140701. Terminate financial accountability for all excess DWCF-SMA material transferred to a property disposal activity on a nonreimbursable basis. This includes scrap and salvage material. HQDA retains the proceeds from sales of DWCF-SMA-owned excess material. This is true regardless of which DWCF-SMA division previously owned the material.

140702. Property disposal officers will not issue DWCF-SMA type material to activities or individuals to meet requirements. Transfer material required to meet a recurring or non-recurring demand to the DWCF-SMA on a nonreimbursable basis. Issue of the material may be billed at a reduced price or the percentage rate used for turn-ins under the alternate credit policy.

1408 REVENUES FROM SALE OR LEASING OUT OF DoD ASSETS

140801. General. This paragraph prescribes the procedures to account for and report revenues generated from the sale of DoD real property at non- Base Realignment and Closure (BRAC) U.S. Army Reserve (USAR), and Army National Guard (ARNG) installations, or the leasing out of real and personal property at all Army, USAR, and ARNG facilities.

140802. Reporting Receipts. Report receipts generated under this program in the special fund receipt accounts prescribed in DFAS-IN Manual 37-100-FY. The limit field will be used to identify the type of transaction, type of property, and installation reporting the receipts. The acceptable limits are described in DFAS-IN Manual 37-100-FY.

140803. Activities not Located on Active Duty Installations. USAR and ARNG activities that are not located on an active duty military installation will manually track and report, to their respective headquarters, any revenues generated through this program. This will ensure that they receive any proceeds that they are entitled to.

140804. Distribution and Use of Funds.

A. The funds reported to Treasury in these receipt accounts will be redistributed on a semi-annual basis. This distribution will occur during the first and third quarters of the following year.

1. Fifty percent (50%) of the proceeds will be distributed to the installation that generated the revenues.

2. Fifty percent (50%) of the proceeds will be distributed to the Major Commands (MACOMs) based on the amounts generated by their installations.

B. The Army Budget Office (ABO) will request these funds and distribute them to the appropriate MACOMs/installations on funding authorization/allowance documents.

C. Public Law 101-510 restricts the use of these proceeds to facility maintenance and repairs and environmental restoration.

D. The execution of this program will be controlled by using project codes shown in DFAS-IN Manual 37-100-FY.

1409 AGRICULTURAL AND GRAZING LEASES

140901. General. This section prescribes the policies and procedures for accounting and reporting of proceeds and obligations associated with agricultural and grazing leases. This includes leases at Army installations or facilities. Outleasing shall be conducted in such a manner to support mission operations and conservation compliance while executing natural resources stewardship (see 10 U.S.C. 2667(d)(4) and AR 200-3).

140902. Responsibilities. HQDA's, Assistant Chief of Staff for Installation Management (ACSIM), through the Office of the Director of Environmental Programs (ODEP) along with the U.S. Army Environmental Center (USAEC), MACOMs and installations is responsible for the programmatic execution of the leasing of Army lands for agricultural and grazing purposes to the maximum degree compatible with operation requirements. ODEP, as the program manager, in coordination with other Army Staff (ARSTAF) offices, will monitor all proceeds received and recommend targets for reimbursable authority to the Director of Environmental Programs (DEP).

140903. Budgeting. Authority to execute reimbursable work will be included on the funding authorization document (FAD). Targets for Agricultural/Grazing Leasing automatic reimbursable authority will be issued separately on a memo from the ACSIM. This authority is for program administration, approved multi-land use management programs, and program management.

140904. Proceeds. Deposit all proceeds for agricultural and grazing leases to a centrally managed HQDA Budget Clearing Account (21F3875.3950) (see DFAS-IN Manual 37-100-FY). ODEP, as program manager, will monitor all proceeds received.

A. Do not use proceeds for capital improvements including the construction or upgrading of buildings. These are normally provided for in the annual Military Construction Appropriation Acts. Also excluded are fish and wildlife projects financed by Wildlife Conservation appropriation 21X5095 (see DFAS-IN Manual 37-100-FY).

B. Expenses will show a long-term benefit originating from the undertaking. For example, if the expenses involve outleasing, benefits considered are savings of operating funds from lessee maintenance and improved land management through incorporation of conservation plans in leases. The program managers will perform periodic reviews. These reviews will confirm the soundness of, and identify any inadequacy in the original projections or estimated benefits. Outleases shall not offset the total amount of the outlease value. At a minimum, installation revenues will be collected to cover the cost of administration of the installation lease.

C. Support of multiple land usage will be by programs or projects approved in the program and budget process. Classify all expenses incurred as "reimbursable expenses." Apply expenses to the reimbursable order established for each specific program or project.

D. Charge expenses incurred at other levels (i.e. HQDA, MACOM) to the Agricultural/Grazing Army Management Structure Code (AMSCO) associated with their normal operations (see DFAS-IN Manual 37-100-FY). These expenses include supervising, planning, programming, conducting field surveys and inventories, training, and attending professional meetings.

140905. Expenses. Expending proceeds from agricultural and grazing outleases is restricted by law as detailed in 10 U.S.C. 2667(d)(4). Obligate proceeds from agricultural and grazing leases to promote the aforementioned policy in amounts necessary to cover:

A. Administrative expenses of leasing for such purposes.

B. Financing of multiple land use management programs at any Army owned or controlled installation or facility (AR 200-3).

C. Expenses associated with improving land already leased for agricultural and grazing purposes so that increased rental value will be realized and those expenses associated with identifying, making available, and improving lands not currently leased for agricultural and grazing purposes.

D. Expenses associated with improving multiple land use management plans and programs that will contribute to future increased revenues. This includes land, water, fish, wildlife, forestry, equipment, and outdoor recreation.

E. Expenses for the maintenance, protection, repair, or restoration work on the leased land provided the following conditions are met:

1. The type of work is eligible for accomplishment as an offset to cash rental (see AR 405-80).

2. Anticipated cash rental income from the lease is sufficient to fund the maintenance, protection, repair or restoration work.

3. When it is in the best interest of the U.S. Government that the work not be accomplished by means of a lease cash rental offset.

140906. Reporting and Review.

A. OPLOCs/FAOs will report proceeds collected on the monthly RCS CSCFA-302 report to the DFAS Center for Sustaining Forces - Indianapolis. This Center will provide Accounts Office 22 with a monthly listing, by disbursing station symbol number (DSSN), of collections reported on the RCS CSCFA-302 report. The program managers will use these reports to monitor proceeds collected.

B. Report obligations on the RCS CSCFA-218 report for the Operations and Maintenance, Army (OMA) appropriation as automatic reimbursable expenses. See Chapter 28 this regulation and DoDFMR, Volume 6). Refer to DFAS-IN Manual 37-100-FY for the correct AMSCOs reported by the U.S. Army Corps of Engineers (USACE) district and division offices, and by Army installations or facilities.

★ C. Report reimbursements on the RCS CSCFA-112 report as "transferred for collection" in the Reimbursements Collected-Automatic" column (see Chapter 30 this regulation and DoDFMR, Volume 6).

★ D. The DFAS Center for Sustaining Forces - Indianapolis will effect the transfer between the centrally managed DA suspense account and the operating appropriations. The amounts transferred for collection on the RCS CSCFA-112 report will be used.

E. HQDA, MACOMs, installations, district engineering offices, and accounting activities will submit quarterly analysis of actual proceeds and obligations to become part of the Quarterly Agricultural and Grazing/Outleasing Report. USACE districts will report proceeds and obligations separated by installation to the DFAS Center for Sustaining Forces - Indianapolis.

F. The DFAS Center for Sustaining Forces - Indianapolis will provide a quarterly Consolidated Analysis of DA Agricultural/Grazing Leases, based on Corps of Engineers (COE)/Army input, to USAEC within 30 days after the end of each quarter. USAEC, the MACOMs and the USACE will jointly review the Army's Agricultural/Grazing program utilizing this report. USAEC will maintain a seven year historical data record of annual proceeds and obligations.

G. USAEC will review residual and unused balances in the centrally managed DA suspense account. This will be accomplished on a quarterly basis to assure that available funds are used to maximize operational programs.

1410 PRODUCTION AND SALE OF FOREST PRODUCTS

141001. The Reimbursable Forestry Program

A. General. This section prescribes the policies and procedures for budgeting, accounting and reporting of proceeds and obligations associated with the production and sale of forest products at Army and Federally-owned or Federally leased installations or facilities (see 10 U.S.C. 2665). Eligibility for participation within this program will be determined by AR 200-3. The objectives of the Army's reimbursable forestry program are to support mission operations, support conservation compliance, and execute natural resources stewardship.

B. Responsibilities. HQDA, through ODEP along with USAEC, MACOMs, and the installations, is responsible for the execution of the Army's reimbursable forestry program. ODEP, as the program manager, in coordination with other ARSTAF offices, will monitor all proceeds received and recommend targets for reimbursable authority to the Director of Environmental Programs (DEP).

C. Budgeting. Authority to execute reimbursable work will be included on the FAD. Automatic reimbursable authority may be used for operations and maintenance, minor construction, purchase of forestry equipment, and other obligations directly related to the reimbursable forestry program. Targets for the MACOMs' forest products reimbursable authority will be determined annually by the DEP based on the anticipated proceeds, obligations, and States' entitlements. These targets will be issued to the MACOMs separately on a memorandum from the DEP.

D. Proceeds. Deposit proceeds from the sale of forest products into General Fund Budget Clearing Account, 21F3875.3960. See DFAS-IN Manual 37-100-FY. Report proceeds on the RCS CSCFA-302 report (See Chapter 28 for reporting instructions). This includes proceeds from forest products disposed of by the DRMS. Forest products include, but are not limited to, veneer logs, timber, pine straw, stumpwood, bark, mulch, cones, seeds, mistletoe, firewood, Christmas trees, sawlogs, chips, poles, piles, posts, and pulpwood. The products can be dead and down or designated standing timber. When forest products are removed from Army lands by any means other than a commercial sale (e.g. generating energy on the installation), a dollar amount equal to the fair market value is to be deposited in the Army Forestry Account by the proponent of the activity removing the forest products. The only exception is that forest products may be removed or used for/to directly assist the military mission without payment. Deposit advances from contractors as unearned revenue in the same account as the unfilled orders to which the advance applies. Monthly, each activities' accounting office will transfer current month earnings from the unearned revenue to the deposit fund account.

E. Net Proceeds. Net proceeds are amounts received from the sale of forest products produced on a military installation or facility, less expenses incurred for this production. These net proceeds figures are used to calculate state entitlements, as outlined in 10 U.S.C. 2665 and paragraph 141001.G.6.

F. Expenses. Program expenses incurred by HQDA, installations or facilities and the District Engineer Offices will be directly related to the integrated management, production and sale of forest products and associated program management costs for personnel at all levels (installation, MACOM, District, Division, Field Operating Activity (FOA), ARSTAF and auxiliary staff) whose primary duties are to administer the forestry reimbursable program. Program expenses will be categorized according to the functions listed below.

1. Forestry Equipment. Include purchase, over the Capital Expenditure Limit (currently \$100,000) only, of forestry equipment (e.g. vehicles, heavy equipment) used exclusively in reimbursable forest management.
2. Forest Fire Protection. Include the protection of forests on land in forestry reimbursable programs. Includes equipment costing less than the Capital Expenditure Limit.
3. Forest Management. Include reimbursable forest management functions. Include supervision, planning, programming, and conducting field surveys and inventories, training, and attending professional meetings. Include improvements of existing forest stands, whether they are planted, seeded, or natural, including natural resources projects in direct support of the reimbursable forestry program. This includes controlling undesirable vegetative growth, prescribed burning, pre-commercial thinning, and pruning. Include the protection of reimbursable forests from insect, disease, animal, flood, and erosion damage. Include the sale and preparation for sale of forest products. Include appraising, cruising, marking, scaling, preparing sales contracts, escorting prospective bidders, advertising, sales administration, and contract compliance inspections. Includes equipment costing less than the Capital Expenditure Limit.
4. Forest Access Roads. Include construction, repair, and maintenance of reimbursable forest access roads and trails. Include the repair of other roads resulting from the production and harvest operations. Includes equipment costing less than the Capital Expenditure Limit.
5. Reforestation. Include natural or artificial regeneration, including planting, purchasing of seeds or seedlings, and preparing sites. Includes equipment costing less than the Capital Expenditure Limit.
6. Forestry Support. Include Phase I archaeological surveys, threatened and endangered species surveys, and military mission coordination efforts driven only by forestry activities (e.g. planting and harvesting).

G. Reporting and Review.

1. Report proceeds on the RCS CSCFA-302 report. Report obligations incurred as automatic reimbursable obligations on the RCS CSCFA-218. Report obligations incurred for items of equipment purchased with procurement appropriation funds on

the RCS CSCFA-112 (Status of Reimbursements Report). See Chapter 28 of this regulation and the DoDFMR, Volume 6 for reporting instructions.

2. Report reimbursements earned on the RCS CSCFA-112 report as "Transferred for Collection" in the "Reimbursement Collected-Automatic" column. Identify the amounts transferred by detail reimbursement source code. Identify the amount of reimbursements "Transferred for Collection" as a separate footnote on the RCS CSCFA-112 report. Report reimbursements for items of equipment financed with procurement funds on the RCS CSCFA-112 report. Bill and collect according to procedures outlined in Chapter 12. See Chapter 28 of this regulation and the DoDFMR, Volume 6 for reporting instructions.

3. HQDA, MACOMs, installations, district engineering offices, and OPLOCs/FAOs will submit quarterly analysis of actual proceeds and obligations to become part of the RCS CSCFA-218 report. USACE districts will report proceeds and obligations separated by installation to the DFAS Center for Sustaining Forces - Indianapolis.

4. The DFAS Center for Sustaining Forces - Indianapolis will provide a quarterly Consolidated Analysis of DA Forest Products, based on COE and installation input, to USAEC within 30 days after the end of each quarter. USAEC, the MACOMs and the USACE will jointly review the Army's commercial forestry program utilizing this report. USAEC will maintain a seven year historical data record of annual proceeds and obligations.

5. Within 90 days after the conclusion of each fiscal year, the DFAS Center for Sustaining Forces - Indianapolis will compute the concluding fiscal year's unfilled forestry orders (transferring excess to or removing required funds from that fiscal year's Lumber/Timber account 21F3875.3960), compute and provide 40 percent of the net proceeds per installation to the appropriate States, and deposit the remaining net proceeds into the Forest and Wildlife Conservation, Military Reservations Account (21R5285, DFAS-IN Manual 37-100-FY). Prior to issuance of States entitlements, the DFAS Center for Sustaining Forces - Indianapolis will confirm figures with USAEC. States entitlements and transfers to 21R5285 shall not be made until monies are set aside, if necessary, to cover unfilled forestry orders.

6 States entitlements shall be issued to State treasurers with sufficient explanation to include reason for the issuance, itemization by installations and counties, and DFAS point of contact (POC) phone number(s). A copy of this information will be provided to USAEC.

7. The USACE determines and updates, as required, the total acreage by county and state for all Army installations or facilities participating in the DoD Forest Products Program. The USACE provides this data to the DFAS Center for Sustaining Forces - Indianapolis. The Center will update their files for determining States' entitlements. Acreage by county is the total acreage of the installation or facility, not just the acreage applicable to the forest products program.

141002. The Forestry Reserve Account.

A. General. The Forest and Wildlife Conservation, Military Reservations Account (The Forestry Reserve Account (21X5285)) is sustained with the calendar year end transfers from each of the Services' Forestry Program Deposit Fund accounts (**F3875).

B. Responsibilities. The Army is the DoD executive agent on this account. Balances in this account may be used for the following:

1. Improvements of forest lands.
2. Unanticipated contingencies in the administration and management of forest lands and the production of forest products for which other sources of funds are not available in a timely manner.
3. Natural resources management that implements approved plans and agreements.

C. Project Approval Process. The project approval, funding and accounting processes for forestry reserve account projects at Army installations or facilities are outlined below.

1. On an annual basis, the Office of the Director of Environmental Programs (ODEP) will request MACOM's, based on installation input, submit proposed projects to the Commander, USAEC, ATTN: SFIM-AEC-EQN, APG, MD 21010-5401. The USAEC will consolidate the proposals and provide them to ODEP. ODEP, in coordination with other concerned ARSTAF offices and the Office of the Deputy Assistant Secretary of the Army, Environmental Safety and Occupational Health (ODASA-ESOH) will initially rank the proposals and submit them to the Assistant Chief of Staff for Installation Management for consideration and official submittal to the DASA-ESOH. The DASA-ESOH forwards Army's official submittal to the Department of Defense for funding.

2. The DFAS Center for Sustaining Forces - Indianapolis will transfer the total approved Army projects from 21X5285 once the Deputy Under Secretary of Defense (Environmental Security) approval memorandum and appropriate accounting classification is received from USAEC.

3. USAEC will, based on the approved project list, prepare a DD Form 448 citing Economy Act orders and forward a copy to the requesting/performing activity.

4. The requesting/performing activity will accept the Military Interdepartmental Purchase Request (MIPR) based on criteria in Chapter 12, and forward signed copies to USAEC.

5. Any remaining funds, after completion of the project must be returned to USAEC. At no time will the performing activity incur expenses in excess of the accepted MIPR.

D. Fund Transfers from 21X5285. Funds for approved Army projects are transferred from this account to USAEC by a "no check drawn" SF 1080 by the DFAS Indianapolis Centers, who will handle the transaction as a reverse collection.

1. Funds for approved projects at other DoD agencies will be transferred by the DFAS Center for Sustaining Forces - Indianapolis via an On-Line Payment and Collection (OPAC) transaction.

2. Collection and disbursement of funds from this account are limited to the DFAS Indianapolis Centers.

E. Calendar Yearend.

1. The balance of the Forestry Reserve Account may not exceed \$4 million on 31 December of any calendar year. DFAS shall deposit unobligated balances exceeding \$4 million on 31 December to a Treasury General Fund Miscellaneous Receipts Account.

2. Deposits to the account of proceeds from the preceding fiscal year shall not be made until after 1 January to allow sufficient time to manage new deposits efficiently.

3. The DFAS Center for Sustaining Forces - Indianapolis must report to the USAEC on the activity and balance of this account within 30 days after the end of each quarter.

141003. Equipment Purchases.

A. General. Equipment purchased must be for commercial forest management use when purchased with forestry automatic reimbursable authority and for natural resources uses when purchased with DoD Forestry Reserve Account or Agricultural/Grazing automatic reimbursable authority. Equipment purchases must be fully coordinated with the organization equipment manager or equivalent.

B. Equipment Acquisition Process. Each purchase of equipment should begin with an internal review of contract/buy/lease options, funding availability, and the potential for use of multi-purpose equipment. The reimbursable authority is intended only to supplement routine procurement sources. Programmed equipment authority, such as Other Procurement, Army (OPA), should be used for equipment. If the internal review justifies the need to purchase new equipment, then the general procedures outlined below will be utilized.

1. The installation will assure authority exists in the Table of Distribution and Allowances (TDA) or Common Table of Allowance (CTA).

2. The installation will determine if the equipment to be purchased is centrally managed by the Tank and Automotive Command (TACOM). The installation Property Book Officer (PBO) can make this determination by checking the equipment Line Item Number (LIN) against the Supply Bulletin 700-20. If the equipment is not centrally managed and is less than the capital expenditure limit, the equipment may be purchased locally or through the GSA schedule

3. If the equipment is centrally managed, TACOM must conduct the purchase unless a waiver for local procurement is granted.

4. If the estimated cost of the equipment is greater than the capital expenditure limit, centrally managed or not, OMA (Ag/Grazing, Forestry, or Forestry Reserve Account) may not be used. TACOM must use equipment purchase authority, reimbursing OPA. The purchase may be finalized at TACOM or the authority may be returned to the installation for a local procurement with a local procurement waiver.

1411 FISH AND WILDLIFE CONSERVATION PROGRAM

141101. This paragraph prescribes the policies and procedures for accounting and reporting for the fish and wildlife conservation program. It includes accounting for proceeds and expenses incurred at Army and Federally owned ARNG installations or facilities.

141102. According to AR 215-2 and AR 200-3, collect fees from individuals for special State hunting, trapping, and fishing permits. Use collections realized on the installation from which collected for the protection, conservation, and management of fish and wildlife. This includes habitat improvement and related activities. Include collections and expenditures in the annual budget submission (RCS: ENG 303) according to instructions provided by HQDA (reference, AR 200-3). These submissions must have Army approval from the ASCIM prior to submission to Office of the Secretary of Defense (OSD) and Office of Management and Budget (OMB) for approval.

141103. Credit collections from individuals for special hunting and fishing permits to 21R5095, Sale of Hunting and Fishing Permits, Military Reservations (see DFAS-IN Manual 37-100-FY). Process collection vouchers (DD Form 1131) in the normal manner. Report collections via the RCS CSCFA-302 report (See Chapter 28). See Chapter 3, Exceptions to fund computation for Fish and Wildlife, for computing fund availability.

141104. Revenues (collections/receipts) generated in the current year will remain available for obligation indefinitely. Appropriation 21X5095 is subject to apportionment of current year collections/receipts and reapportionment of unobligated funds carried forward and prior year recoveries. Unobligated funds carried forward and prior year recoveries are available for obligation in the current year but will not be reflected on the Fund Allowance System (FAS)

document/FAD. Current year collections/receipts are available for obligation as authorized on the current year FAS document/FAD. However, obligations from current year collections/receipts are limited to the lesser of current year obligation authority issued on FAS document/FAD or current year collection/receipts. Account for obligations and expenditures for 21X5095 in the same manner as for allotted funds.

141105. Report receipts on the RCS CSCFA-302 report (See Chapter 28). Report all funding, obligations, and expenses incurred on the RCS CSCFA-218 report. See Chapter 28 this regulation and the DoDFMR, Volume 6 for RCS CSCFA-218 reporting instructions.

1412 ROYALTY OR OTHER INCOME FROM THE LICENSING AND ASSIGNMENT OF INVENTIONS

141201. The Federal Technology Transfer Act of 1986 (PL 99-502) encourages the transfer of commercially useful technologies from Federal laboratories to the private sector. The Act authorizes Federal laboratories to license their inventions and other intellectual property and allows agencies to retain royalties or other payments received by a Federal agency from the licensing and assignment of inventions. The distribution of royalties or other income is prescribed in 141206 and 141207.

141202. DFAS-Rock Island is the central point for receipt, disbursement, and transfer of royalty and other payments. The address is DFAS Rock Island OPLOC, ATTN: DFAS-RI-FD, Rock Island, IL 61299-8300.

141203. The Office of the Command Counsel, Headquarters, U.S. Army Materiel Command (AMC) is the responsible office for administering the Army's intellectual property licensing program in furtherance of the Federal Technology Transfer Act of 1986. The address for this office is Commander, Headquarters, U.S. Army Materiel Command, Office of the Command Counsel, ATTN: AMCCC-B-IP, 5001 Eisenhower Ave., Alexandria, VA 22333-0001, DSN 767-2553, commercial (703) 617-2553.

★ 141204. Include instructions with all invention license agreements, that licensees are to send royalty or other payment checks directly to DFAS Rock Island. DFAS Rock Island will deposit the royalty or other payment receipts to account 21F3875.3953 (Proceeds from Royalty Income). Prior to disbursing the funds to the inventor, transfer the funds to 21X6500.0000. DFAS Rock Island will disburse the moneys to the authorized inventors and distribute the residual moneys within 30 days from the date of receipt of distribution instructions from the AMC Office of the Command Counsel. Collections and disbursements from this deposit fund are restricted to FSN S11070.

141205. The authorized inventors will receive per year the first \$2,000.00 and 20 percent thereafter of royalty or other payments received by the agency. The authorized inventors share the first \$2,000.00 and 20 percent thereafter divided into equal shares. Payments of royalties or other payments, received from the licensing and assignment of inventions, to an employee will not exceed \$150,000 per year without Presidential approval (5 USC 4504). Do

not withhold taxes. Report income on Form 1099-MISC, Statement for Receipt of Miscellaneous Income).

141206. Distribute the residual moneys as directed by the AMC Office of the Command Counsel with at least the majority share of the royalties or other payments going to the laboratory where the invention occurred.

141207. The residual moneys may be used for the following:

A. To reward scientific, engineering, and technical employees of the laboratory, including developers of sensitive or classified technology, regardless of whether the technology has commercial applications.

B. To further scientific exchange among the laboratories of the agency.

C. For education and training of employees consistent with the research and development missions and objectives of the agency or laboratory, and for other activities that increase the potential for transfer of the technology of the laboratories of the agency.

D. For payment of expenses incidental to the administration and licensing of intellectual property by the agency or laboratory with respect to inventions made at that laboratory, including the fees or other costs for the services of other agencies, persons, or organizations for intellectual property management and licensing services; or

E. For scientific research and development consistent with the research and development missions and objectives of the laboratory.

141208. The AMC Office of the Command Counsel will inform the Office of Research and Technology Applications (ORTA) of the receiving organization and DFAS Rock Island of the amount of money to be received. The ORTA will provide to the AMC Office of the Command Counsel the appropriation in which the moneys will be used. The DFAS Rock Island will prepare an SF 1080, on a TFO or TBO basis and forward to the addressee. Based on the receipt of the SF 1080, receiving organizations establish automatic reimbursable orders in the appropriation that will incur the obligations. The SF 1080 will state that the moneys are from royalty income and will show the expiration date. Use of the moneys will be according to 15 U.S.C. 3701, DoD 3200.12-R-4 (Domestic Technology Transfer Program Regulation), and AR 70-57 (Military-Civilian Technology Transfer). Record moneys received initially as unearned income in project account 0980 (Royalty Income). Use reimbursement source code 0980 to record the earned reimbursements.

141209. DFAS Rock Island will distribute residual moneys by check for Army Corps of Engineers laboratories funded by Civil funds. USACE provides accounting procedures for moneys provided to Corps of Engineers Civil fund laboratories.

141210. Year-end procedures for unfilled orders will be according to Chapter 27. Obligate residual moneys in the fiscal year received or in the succeeding fiscal year. Transfer unobligated balances remaining after the succeeding fiscal year of initial receipt by the U.S. Government to miscellaneous receipt account 21R3210.0003.

1413 CASH SALES AND OTHER RECEIPTS

141301. See the DoDFMR, Volume 5 for documentation and reporting of cash sales and other receipts or collections resulting in revenue to the U.S. Government.

141302. Account for cash overages as cash sales or collections and process per DoDFMR, Volume 5. Do not process cash overages as cash sales unless the cash overage is discovered before turn-in to the OPLOC/FAO. Process cash overages discovered after turn-in as miscellaneous collections.

141303. Upon receipt of an advance payment for supplies and services, voucher for payment per DoDFMR, Volume 5. Annotate advance payments for communication services on DA Form 1854-R.

1414 SALES ADJUSTMENTS

When adjusting a customer's account, refer to the sales officer for action unless the adjustment is attributable to an error by the OPLOC/FAO. Annotate "adjustment" on charge sales slips, toll tickets, or memos. The original will support DA Form 1854-R

★ DISPOSITION OF AMOUNTS COLLECTED FROM SUCCESSFUL BIDDERS		
	Disposition of:	
Type of property	(20%) Bid Deposit	(80%) Remaining Balance
1. Scrap turned in by a DWCF-DMA activity.	DWCF (97X4930.AA**)	DWCF (97X4930.AA**)
2. Usable personal property purchased by and turned in by DWCF-DMA activities.	DWCF (97X4930.AA**)	DWCF (97X4930.AA**)
3. Excess items turned in by DWCF-SMA activities.	DWCF (97X4930.AC**)	DWCF (97X4930.AC**)
4. Property purchased with funds from the trust fund account 21X8420, "Surcharge Collections, Sales of Commissary Stores."	21X8420	21X8420
5. Automatic data processing equipment owned by the General Services Administration (GSA) and leased to the U.S. Army.	21F3875.1111	21F3875.1111 (see DFAS-IN Manual 37-100-FY). Upon receipt of the entire amount due from the bidder, write a check on the suspense account and forward to the following address: General Services Administration, Office of Finance (WBCRC), Collections and Securities, 7th and I Streets, NW, Washington, DC 20407.
6. Pre-Military Assistance Program merger (pre-fiscal year (FY) 1982). Property issued under the Military Assistance Program (MAP) and returned as no longer needed, and all MAP-funded administrative property belonging to the Security Assistance Offices.	21(CFY)1082.0007	21(FY)1082.0007 (see DFAS-IN Manual 37-100-FY). All sales proceeds will be recorded as appropriation refunds. Collections will be transferred to Dept. 11 (Executive Office of the President) by DFAS-IN.
7. Coast Guard property under the physical control of the Coast Guard at the time of sale.	21F3875.1111	21F3875.1111 (see DFAS-IN Manual 37-100-FY). Upon receipt of the entire amount due from the bidder, write a check against the suspense account and forward to the U.S. Coast Guard at the following address: Commandant, U.S. Coast Guard, (GFAC), Washington, DC 20593.
★8. Property owned by Nonappropriated Fund Instrumentalities (NAFIs), excluding garbage suitable for animal consumption that is disposed of under a multiple-pickup contract.	21X6501.3860	21X6501.3860 (see DFAS-IN Manual 37-100-FY). Upon receipt of the amount due from the bidder, write a check against the suspense and forward to the applicable NAFI.
9. Recyclable material ¹	21F3875.1111	21F3875.1111 (see DFAS-IN Manual 37-100-FY). Upon receipt of the entire amount due from the bidder, deposit total proceeds to the accounts designated by the installation that gave the material up for disposal. Up to 50% of the proceeds, after operating expenses, may be used for pollution abatement, energy conservation, and occupational health projects. Any remaining amounts may be transferred to the installation MWR accounts.

Table 14-1

Type of property	Disposition of:	
	(20%) Bid Deposit	(80%) Remaining Balance
★10. Property owned by a foreign country or international organization.	Installation Operation Maintenance appropriation of the DoD component that sells the property. (This is reimbursable for selling expenses.)	21X6501.3860 (see DFAS-IN Manual 37-100-FY). Upon receipt of the entire amount due from the bidder, write a check for 80% of the sales price against the 21X6501.3860 account and forward to the applicable foreign country or international organization.
11. Scrap turned in by the U.S. Army Procurement Appropriations as a result of demilitarization of conventional ammunition.	21*2034	21*2034
12. All other property.	97R2651	97R2651.
13. U.S. Government furnished property sold by contractors.	See paragraph 18-14.	See paragraph 18-14.
14. Lost, abandoned, or unclaimed privately owned personal property.	NA	Credit gross amount of sale to current year installation operation and maintenance account. Twenty percent of the gross sale will be retained by the installation to cover expense of handling the abandoned property. The remaining 80 percent will be paid directly to the installation MWR single fund.
Notes:		
¹ 10 USC 2577 limits the amounts that can be held in 21F3875 at the end of any fiscal year resulting from the program to \$2 million. Amounts in excess of \$2 million are to be transferred to Miscellaneous Receipts of the U.S. Treasury. This instruction provides for immediate distribution of all sales proceeds received from the recycling program.		

Table 14-1 (Continued)

DAILY TRANSFER SUMMARY{PRIVATE } <small>For use of this form, see AR 37-1, the proponent is OASA(FM)</small>		NUMBER	DATE
TO:		FROM: (Activity)	
Following are charge sales and adjustments resulting from operation of this activity for the period _____, submitted in accordance with provisions of AR 37-1. Supporting documents are attached.			
CHARGE SALES		ADJUSTMENTS	
ACCOUNTING CLASSIFICATION	AMOUNT	ACCOUNTING CLASSIFICATION	AMOUNT
1.		1.	
2.		2.	
3.		3.	
TOTAL		TOTAL	
ORDERS RECEIVED			
CUSTOMER	APPROPRIATION TO BE REIMBURSED	AMOUNT	
1.	1.		
2.	2.		
3.	3.		
4.	4.		
5.	5.		
6.	6.		
7.	7.		
8.	8.		
9.	9.		
10.	10.		
		TOTAL	
TYPED NAME AND GRADE OF SALES OFFICER		SIGNATURE	

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Reverse of DA Form 1854-R